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February 16, 2011

AGENDA ITEM 17

TO: MEMBERS OF THE BOARD OF ADMINISTRATION

- I. SUBJECT:** Organizational Structure and Processes Initiative Update
- II. PROGRAM:** Various
- III. RECOMMENDATION:** Information Item
- IV. ANALYSIS:**

The purpose of this agenda item is to provide an update on the Organizational Structure and Processes Initiative's (Initiative) efforts.

Following the January Board of Administration (Board) offsite discussion on the new next-level design, the Initiative's working team has been focused on engaging staff to finalize the details of the organizational structure and create an implementation plan to transition to the new structure.

An implementation team has been created that is working with Division Chiefs to create transition plans which will include identifying revised job responsibilities if applicable, determine the need and timing of any physical moves and all associated activities, and updating the communication plan through implementation. Together these plans will help transition to the new organizational structure and ensure the necessary preparations are in place before the new structure goes into effect.

In response to the request from the Board at the January offsite, McKinsey & Company (McKinsey) are currently researching three aspects of the Board's relationship with Direct Reports. First, McKinsey is researching the history of these positions and looking at how and why they were structured as Direct Reports to the Board. Second, McKinsey is analyzing where and how current practice differs from policy when it comes to the Direct Reports. Finally, McKinsey is coming up with recommendations for how to make improvements. This work will be presented at the March Board meeting.

V. STRATEGIC PLAN:

This agenda item supports:

- Strategic Plan Goal III – Sustain a high performance work culture utilizing staff development, technology, and innovative leadership and management strategies.
- Strategic Plan Goal VI – Administer pension benefit services in a customer oriented and cost effective manner.

VI. RESULTS/COSTS:

N/A

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